-Uganda-

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GENERAL FEATURES OF TRADE POLICY

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The following table is an overview of the tradeflow between the European Union and Uganda

Section	Year	Import(Euro)	Export(Euro)
Animals & animal products	1996	37,820,530	1,720,810
	1997	32,978,940	1,731,470
	1998	36,127,720	675,790
	1999	13,449,700	662,900
	2000	15,568,390	1,268,580
	2001	69,170,070	1,579,620
	2002	70,516,670	1,630,480
	2003	58,675,600	1,194,010
Vegetable products	1996	290,857,790	7,679,950
	1997	273,793,780	12,525,670
	1998	208,584,310	11,098,830
	1999	192,854,140	6,061,790
	2000	157,420,550	10,474,220
	2001	113,714,110	7,175,060
	2002	115,444,250	3,183,780
	2003	120,001,860	2,699,010
Animal or vegetable fats	1996	0	97,990
	1997	0	1,249,070
	1998	17,000	12,350
	1999	0	157,780
	2000	0	635,830
	2001	0	58,310
	2002	0	477,930
	2003	150	879,420
Prepared foodstuffs	1996	8,753,830	1,815,470
	1997	10,680,390	2,966,900
	1998	9,822,470	3,142,780
	1999	13,134,180	3,090,590
	2000	28,018,110	5,545,170
	2001	36,890,760	3,404,680
	2002	34,363,640	3,629,440
	2003	31,501,280	4,522,180
Mineral products	1996	127,430	485,960
	1997	5,225,110	1,133,440
	1998	101,360	1,289,710
	1999	152,950	1,335,410
	2000	79,560	938,270
	2001	343,450	635,690
	2002	21,540	954,960
	2003	9,050	477,440

Chemical products	1996	324,080	22,484,810
	1997	134,170	23,979,780
	1998	185,630	31,988,310
	1999	72,320	29,010,160
	2000	378,730	36,861,620
	2001	137,440	40,627,710
	2002	63,150	42,117,040
	2003	81,050	52,998,600
Plastics & rubber	1996	910	8,372,250
	1997	52,880	7,055,270
	1998	4,190	7,761,640
	1999	5,810	8,787,780
	2000	1,370	7,806,050
	2001	19,830	6,651,580
	2002	71,880	4,658,820
	2003	600	5,972,220
Hides & skins	1996	2,984,190	217,990
	1997	2,956,270	526,600
	1998	3,089,650	216,620
	1999	800,720	116,500
	2000	3,069,700	119,830
	2001	2,401,340	105,050
	2002	2,953,060	104,650
	2003	1,758,700	59,340
Wood & wood products	1996	9,690	297,600
	1997	18,020	348,770
	1998	16,750	151,930
	1999	25,830	238,370
	2000	79,670	312,210
	2001	81,330	61,960
	2002	49,340	129,890
	2003	82,640	136,340
Wood pulp products	1996	12,370	7,978,320
	1997	857,720	11,735,780
	1998	48,270	10,209,300
	1999	17,880	9,940,830
	2000	134,390	9,276,110
	2001	67,020	8,392,880
	2002	10,640	8,905,450
	2003	92,900	10,740,510
Textiles & textile articles	1996	4,398,240	8,449,310
	1997	11,784,830	9,776,260
	1998	7,013,630	8,361,160
	1999	5,709,440	6,362,330
	2000	7,966,610	8,307,330
	2001	8,380,400	9,202,620
	2002	8,575,490	8,148,260
	2003	8,162,340	5,071,040
Footwear, headgear	1996	0	2,134,840
	1997	0	2,119,210
	1998	9,880	1,807,180
	1999	0	1,443,810
	2000	131,750	871,640
	2001	5,230	830,730
	2002	0	493,230
	2003	9,970	640,420
Articles of stone, plaster, cement, asbestos	1996	2,100	2,802,040
	1997	680	3,358,190
	1998	0	3,103,050
	1999	430	2,863,180
	2000	5,420	3,700,690

	2001	1,290	2,601,910
	2002	61,280	3,708,560
	2003	11,400	2,520,580
Pearls, (semi-)precious stones, metals	1996	20,210,850	196,850
	1997	16,406,610	44,800
	1998	10,094,890	61,470
	1999	27,487,860	40,110
	2000	26,400,370	57,300
	2001	10,377,310	137,730
	2002	21,921,100	879,350
	2003	6,134,190	291,830
Base metals & articles thereof	1996	56,670	12,028,350
	1997	46,030	10,230,360
	1998	15,240	5,802,560
	1999	589,620	9,741,540
	2000	4,769,840	3,408,780
	2001	1,858,560	4,849,690
	2002	1,295,500	4,561,500
	2003	895,190	4,147,990
Machinery & mechanical applicances	1996	187,780	56,804,290
	1997	792,080	52,090,760
	1998	343,040	69,082,980
	1999	576,800	50,825,810
	2000	511,880	70,323,650
	2001	1,699,310	75,953,710
	2002	2,361,750	62,128,570
	2003	2,662,620	77,532,550
Transportation equipment	1996	76,600	12,366,190
	1997	385,870	14,416,440
	1998	31,390	10,048,130
	1999	89,830	8,775,900
	2000	105,440	6,641,610
	2001	97,060	7,343,220
	2002	1,673,830	10,367,330
	2003	2,826,250	7,074,010
Instruments - measuring, musical	1996	58,200	5,723,040
	1997	357,300	6,211,530
	1998	1,668,360	7,746,250
	1999	330,580	9,198,260
	2000	307,290	11,438,160
	2001	836,300	6,115,580
	2002	522,740	13,962,450
	2003	575,430	18,084,780
Arms & ammunition	1996	0	317,710
	1997	0	36,740
	1998	0	14,290
	1999	0	30,840
	2000	0	139,390
	2001	0	54,170
	2002	0	22,120
	2003	0	25,610
Miscellaneous	1996	5,410	2,188,510
	1997	8,770	2,578,660
	1998	18,030	3,656,780
	1999	46,910	4,304,530
	2000	27,070	3,365,710
	2001	5,690	2,723,910
	2002	5,500	2,393,250
	2003	65,800	2,171,990
	1996	9,310	220,750
	1997	2,850	70,030

Works of art	1998	10,590	1,710
	1999	83,980	210,440
	2000	110,210	1,299,710
	2001	18,520	66,970
	2002	13,530	576,660
	2003	17,210	0
Other	1996	406,070	726,620
	1997	188,330	3,013,730
	1998	535,990	1,358,330
	1999	348,620	871,110
	2000	344,540	1,269,240
	2001	535,810	1,526,580
	2002	585,890	1,079,400
	2003	927,640	1,415,870

Services - Communications & Audiovisual last updated on 2003-12-16

The Ministry of Works, Transport, and Communications set out Uganda's last telecommunication policy in January 1996. The policy outlined the intention of the Government to liberalize, privatize, and restructure the telecommunications subsector with the view to achieving: an increase in the telephone density; an increase in mobile teledensity; the introduction of new services such as mobile cellular phones, electronic mail, Internet, paging, etc.; an improvement of telecommunications facilities and service quality; meeting demand for telecommunications services; and an increase in the geographical coverage of telecommunications services throughout Uganda.

The Uganda Communications Act of 1997 was promulgated with the intention of liberalizing the communications subsector, regulating competition, separating telecommunications from postal services, and creating the Uganda Communications Commission (UCC) as the regulatory body for communications issues. The UCC issues all the minor licences in the subsector, while the Minister responsible for communications, upon advice from the UCC, issues the major licences. The UCC has recently developed a Rural Communication Development Policy.

Tariffs of fixed telephone services are set by the recently privatized Uganda Telecom Limited (UTL) and subject to UCC approval. Interconnection tariffs are negotiated between operators and subject to UCC approval. In addition to the 17% VAT on all telecommunications services, the Government proposed, in its 2001/02 Budget Speech, to introduce a 7% excise duty on mobile telephone services.

Uganda's communications infrastructure has been growing rapidly, particularly since the establishment of a privately owned second national operator. Two companies are licensed as national operators: Uganda Telecoms Limited (UTL), and MTN, a firm from South Africa. Further growth is expected as a result of the recently concluded privatization of UTL, which sold 51% of its shares to a German led consortium. A third company (with foreign ownership) provides cellular services only. The operators are renegotiating interconnection and universal services agreements, and new arrangements are expected to be in place by the end of 2001.

Fixed telephone services are poor in Uganda, with approximately 64,000 ground lines for 20 million people. The mobile market, however, has grown rapidly, from approximately 2,000 subscribers in 1996 to 177,000 in 2001. Growth has largely resulted from increasing competition.

Internet services are widely available in Uganda through six different Internet service providers, all of which are privately owned companies; some have foreign ownership or operate in other countries.

Uganda has made substantial progress in developing its information technology (IT) infrastructure and establishing a legal and regulatory framework for IT. The Government is placing a heavy emphasis on developing a skilled workforce that will be able to take advantage of Information Technology. IT is one of the activities emphasized as part of Uganda's Big Push Strategy for faster economic growth.

Uganda is not a signatory to the WTO Information Technology Agreement (ITA).

Uganda bound, without limitations on national treatment, measures affecting cross-border supply, consumption abroad, and commercial presence for supply of telecommunications services. It also bound, without limitations on market access, measures affecting consumption abroad of telecommunications services; limitations on market access apply to the binding of measures affecting the other modes of supply. Measures affecting presence of natural persons for the supply of telecommunications services are unbound.

Services - Energy
last updated on 2003-12-16

Uganda depends heavily on imported petroleum products and this consumes a large portion of its export earnings. The country produces its own electric power from Owen Falls Dam and other small stations. Total energy consumption in Uganda is estimated at over five million tonnes of oil equivalent. Of this, over 90% is derived from biomass (wood/charcoal and agricultural residue). .

Installed capacity of electricity stagnated at 183 MW for four years (1996-99). With the recent commissioning of additional units at the Owen Falls Dam Extension, installed capacity has increased to 283 MW. Peak demand still exceeds production by about 60 MW, leading to load shedding, which has served as a significant constraint for investment and economic diversification. Domestic demand is estimated to be growing at approximately 2% per month and is expected to increase steadily for the next 20 years, due to projected economic growth rates and the lifting of the population from poverty. Currently, Uganda exports 30 MW of power to Kenya, 8 MW to Tanzania, and 2 MW to Rwanda. Estimates suggest that, with expansion of Uganda's generation capacity, exports to these three countries could reach 130 MW by the year 2010.

The Government is moving to liberalize the energy sector, recognizing the need for increased access to energy resources. Given the capital intensity of power investments, and in line with the Government's commitment to attract private capital and expertise in the provision of utilities, the sector has been opened to private investment. Uganda has concluded several power purchase agreements with foreign investors to help develop its power infrastructure.

Services - Financial
last updated on 2003-12-16

The Financial Institutions Statute (1993) is the basis for reform in the financial services subsector. The statute gave the Bank of Uganda responsibility for licensing any entity wishing to set up banking, foreign exchange, or any other financial institution in the country.
There are 17 commercial banks, seven of which have a majority foreign ownership and account for 50% of the assets of the banking system. There is one publicly owned commercial bank, which has the biggest national network of branches; the Government is determined to divest ownership of that bank.

(a) Banking
The Government had maintained significant ownership and control of the banking system, but this has been reduced systematically through a divestiture programme, which has seen Government sell off all its shares in all banks except one. The latter remains to be privatized only because its sale in 1998 was found to have been handled fraudulently, and the shares had to revert to the Government. Privatizing this bank, however, is a high priority for the Government.

The revised Financial Institutions Statute provides for a review of the regulatory system for financial institutions. The statute is aimed at strengthening the prudential regulations governing banks and deposit-taking non-bank financial institutions. In particular, the Act raises minimum capital and on-going capital adequacy requirements, strengthens restrictions on insider lending and large loan exposures, and introduces a requirement for mandatory prompt corrective actions to be imposed on distressed banks by the regulator. The new statute takes into account the Basle Principles.

With regard to the foreign dimension of the regulations, there are no restrictions based on national requirements, provided that the minimum standards and requirements are met and are, consistent with internationally acceptable best practices. Furthermore, there are no deposit restrictions on foreign resources, and foreign professionals are acceptable provided they satisfy the professional standards required by the Bank of Uganda. Foreigners and Ugandans must meet the same required standards set by the Bank of Uganda. Ugandans are permitted to borrow abroad. Interest rates are market determined.

(b) Insurance
The Insurance Statute of 1996 governs insurance services in Uganda. The statute created the Uganda Insurance Commission (UIC), which is granted the power to administer, supervise, regulate, and control the business of insurance in Uganda. The UIC oversees all firms offering insurance and reinsurance products, brokers and agents, loss adjusters and assessors, and risk inspectors, either locally owned or owned by foreigners.

There has been a decline in licensed insurers and reinsurers in Uganda, mainly locally owned companies, since 1997.
Ugandan citizens cannot be insured by foreign insurance companies not registered in Uganda, but Ugandan companies can insure non-residents. There is no regulation of insurance premiums, but the minimum premiums set by companies are subject to the UIC's approval.

Services - Tourism and Travel
last updated on 2003-12-16

Uganda is well positioned to take advantage of the tourist industry due to its cultural and historical heritage along with an endowment of biological diversity. Uganda ranked 13 among the top 20 tourism earners in Africa. National Parks, under the Uganda Wildlife Authority, are among the top tourist attractions in the country.
Tourism is one of the fastest growing economic subsectors in Uganda.
An Integrated Tourism Master Plan was developed by the Department of Tourism, Wildlife and Antiquities (DTWA) in cooperation with the United Nations Development Program in 1993. The plan emphasizes the development of infrastructure, training of personnel, promotion of private domestic and foreign investment, and the conservation of wildlife.
The DTWA is charged with developing a competitive and sustainable tourist industry consistent with the protection and conservation of environmental and cultural values. The Department's mandate is to exploit tourism as a means of generating wealth, foreign exchange, employment, and to promote Uganda among the international and local communities. The overall objectives are, inter alia, to develop a policy and institutional framework for the tourism subsector; increase the country's share of the international tourist market; and increase the contribution of tourism to export earnings and to GDP.
The Uganda Tourist Board (UTB) is a semi-autonomous parastatal established in 1994 under the MTTI. The UTB is a small, specialized agency focusing on development of the tourism subsector although it also provides some regulatory oversight. Because the activities of the UTB overlap with other development agencies, there have been discussions on the divestiture of the UTB by the Government and the creation of a fully private tourism promotion agency that would also have some regulatory functions.

In the Uruguay Round, Uganda made specific commitments under the GATS in tourism and travel-related services. Indeed, Uganda bound, without limitations on national treatment, measures affecting cross-border supply, consumption abroad and commercial presence for the supply of tourism and travel-related services. It also bound, without limitations on market access, measures affecting cross-border supply and consumption abroad of these services. Limitations on market access apply to the binding of measures affecting commercial presence for the supply of these services. Measures affecting presence of national persons for the supply of tourism and travel-related services are unbound.